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Terry Goddard Announces \$19.5 Million Settlement Over OxyContin

(Phoenix, Ariz. – May 8, 2007) Attorney General Terry Goddard today announced a \$19.5 million settlement with Purdue Pharma resolving two allegations regarding Purdue's promotion of the narcotic pain medication OxyContin.

According to court documents, Purdue allegedly encouraged doctors to prescribe OxyContin for uses not approved by the FDA. The complaint also alleges that the company failed to adequately disclose the potential for addiction, abuse and diversion of OxyContin for illegal use.

Goddard joined 25 other state Attorneys General and the District of Columbia in this settlement. Arizona's share of the settlement is \$717,500, which will be used for investigative costs and consumer fraud education, investigations and enforcement.

"Profits guided this company, and its actions were shameful," Goddard said. "Our investigation and this settlement prove that we must continue to watch the prescription drug companies to ensure consumers are getting the appropriate medicines."

The settlement requires Purdue to correct its alleged abusive and excessive marketing practices. In addition, Purdue must maintain an abuse and diversion detection program to identify prescribers who are over-prescribing OxyContin. Purdue must train all sales representatives in the abuse and diversion detection program before they can promote OxyContin.

The settlement also requires Purdue to:

- Market and promote OxyContin in a manner that is consistent with its FDA-approved package insert.
- Ensure that its sales representatives do not minimize the FDA-approved uses for OxyContin.
- Ensure the company does not base sales representatives' bonuses solely on the volume of OxyContin their doctors prescribed.

- Take into account in sales representatives' evaluations whether they educated their prescribers about OxyContin and its potential for abuse and diversion.

States participating in this settlement include Arkansas, California, Connecticut, Idaho, Illinois, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Montana, Nebraska, Nevada, New Mexico, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Vermont, Virginia, Washington, Wisconsin and the District of Columbia.

The settlement does not constitute an admission of wrongdoing by Purdue Pharma. The settlement, in the form of a consent judgment, was filed in Pima County Superior Court today and is subject to court approval.

Assistant Attorney General Noreen R. Matts handled this case.

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